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Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

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Organizational matters

Report on the annual session of 2018, 19 to 20 June 2018

I. Organizational matters

1. The annual session of 2018 of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) was held at the United Nations Headquarters, New York, on 19 and 20 June 2018.

2. The Executive Board adopted the annotated provisional agenda and workplan for the annual session (UNW/2018/L.3/Rev.1), and approved the report on its first regular session held on 13 February 2018 (UNW/2018/1) and workplan for the second regular session of 2018, to be held on 10 and 11 September.

3. The Executive Board adopted four decisions (2018/1, 2018/2, 2018/3, and 2018/4) as contained in the annex to the present report.

4. At the request of some delegations, the Executive Board decided to postpone the consideration of the cost-recovery report, to its second regular session 2018.

II. Opening statements

5. The President of the Executive Board, Ambassador H.E. Ms. Ivana Pajević (Montenegro), opened the session by acknowledging the presence of the new Deputy Executive Director, Åsa Regnér, and underlined her delight to work with her to advance gender equality and women's empowerment.

6. Noting that the annual session of 2018 was the first Executive Board session since the adoption of the landmark General Assembly resolution on the repositioning of the UN development system, RES/A/72/279, the President highlighted that UN-Women was well positioned to mainstream a gender perspective throughout the implementation process. She assured Member States of her readiness to lead the Executive Board in outlining changes to its working methods and make it fit for purpose. The President stressed that the Executive Board will work more closely with the Boards of sister entities to harmonize joint work.

7. The President touched upon the Executive Board's recent joint field visit to Uganda and UN-Women's visit to Malawi. She expressed her appreciation of UN-

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Women's leveraging its mandate and working with other UN agencies, partners and various stakeholders in promoting human rights in even the most challenging environments. She also highlighted the Executive Board's fruitful interactions with cultural leaders in Malawi, who worked with UN-Women to rescue girls from child marriage and brought them back to school.

8. In closing, the President stressed the importance of zero tolerance in combating Sexual Exploitation and Abuse (SEA) and sexual harassment within the UN system, stating that these issues have no place in the United Nations system and pose a threat to the UN's credibility. The President assured Member States of her and her government's engagement towards gender equality and the empowerment of women.

9. In her opening address, the Under-Secretary-General/Executive Director of UN-Women, Phumzile Mlambo-Ngcuka, thanked the Member States for adopting the resolution on the repositioning of the UN development system. Stating that its implementation will bring profound changes to UN-Women's work, she noted that the reform will leverage the Resident Coordinator system to ensure that the UN works better together and will develop a new generation of UN Country Teams (UNCTs) that can respond better to the needs of countries. The head of the Entity welcomed the attention placed on the UNDAF as the main operational tool of the UNCT going forward, noting that UN-Women co-led the development of the last UNDAF and that it will continue to be involved in its updating process. In implementing the Common Chapter, the Under-Secretary-General/Executive Director announced that UN-Women began 14 new initiatives, working together with sister UN agencies on at least one of the six thematic areas at regional and country level. She noted that the agencies will develop funding compacts to scale up joint actions, building on the experience of the EU-UN Spotlight Initiative.

10. The head of the Entity stated that UN-Women is well prepared for the changes called for by the General Assembly resolution, especially because UN-Women anticipated these reforms during the preparation of its Strategic Plan 2018-2021. Most notably, UN-Women took critical steps towards fully implementing the management response to the evaluation on the regional architecture. The Under-Secretary-General/Executive Director noted that UN-Women will soon provide Member States with a concrete plan for addressing the implication of this landmark resolution on UN-Women, by the second regular session in September 2018.

11. The head of the Entity was pleased to note that these changes take place in a trajectory of growth and positive developments for UN-Women. She highlighted that in 2017 UN-Women achieved its highest revenue target since inception (US$369 million), and that there has been an especially strong growth in non-core resources (US$214.2 million, a 20% increase since 2016). She thanked Sweden for signing a multi-year agreement, pledging US$62 million over four years.

12. The head of the Entity highlighted some positive numbers from UN-Women's Annual Report, indicating that 80% of targets outlined in the Strategic Plan 2014-2017 have been fully or largely met. Furthermore, in 2017 alone, UN-Women contributed to the amendment or reform of 27 laws in 17 countries to strengthen women's rights. She also remarked that, since 2014, an additional 2 billion women and girls live in countries where policy frameworks for women's economic empowerment were strengthened, over 1.5 billion women and girls are better protected from violence through stronger legal frameworks, and more than 1.48 billion women and girls are benefitting from an increase in budget allocations for gender equality and women's empowerment.

13. The Under-Secretary-General/Executive Director drew attention to UN-Women's work in supporting the strengthening and implementation of global norms. In 2017, UN-Women worked with Member States to bring a strong gender equality focus to the Ministerial Declaration of the High-Level Political Forum. The Entity engaged with the United Nations Framework Convention on Climate Change, with the COP adopting a Gender Action Plan. Together with private sector partners, UN-Women created the Unstereotype Alliance, working to address stereotypes perpetuated by marketing and advertising. The head of the Entity informed Member States that on 19 June 2018, UN-Women signed a US$6.5 million agreement with the United Arab Emirates' NAMA Women Advancement Establishment to support a flagship programme for women entrepreneurs. Since 2014, UN-Women supported an average annual participation of 2,500 officials and more than 3,700 civil society representatives at the Commission on the Status of Women.

14. The Under-Secretary-General/Executive Director highlighted the significant progress UN-Women has made to improve its institutional performance. She noted that UN-Women's social media followers grew from 640,000 in 2014 to 6.5 million in 2017. The Entity developed a second generation of the UN SWAP. The head of the Entity underlined that UN-Women is engaging collaboratively with other agencies to implement the Secretary-General's System-wide Strategy on Gender Parity and its objective of reaching parity within the UN system by 2028.

15. Addressing UN-Women's response to Sexual Exploitation and Abuse (SEA) and sexual harassment, the Under-Secretary-General/Executive Director asked her Director of Policy, Purna Sen, to act as Executive Coordinator and Spokesperson on Addressing Sexual Harassment and Other Forms of Discrimination. The Entity has also established a network of focal points on addressing SEA at HQ and Regional Offices to guide staff on reporting allegations. UN-Women has led prevention of SEA efforts in some countries like Haiti, Sudan and Sierra Leone, providing training to Gender Focal Points and other members of the UNCTs. As part of the Secretary-General's CEB task force on sexual harassment, UN-Women is co-chairing the work to develop a model policy to strengthen sexual harassment policies and practice for the UN system. Reminding Member States of her stance, the head of the Entity assured that UN-Women has a zero-tolerance policy for SEA and sexual harassment.

16. The head of the Entity reported that UN-Women received a clean audit for the sixth consecutive year. Within the context of the establishment of its in-house consolidated oversight unit, the Under-Secretary-General/Executive Director informed Member States that she will soon appoint the Director of Independent Evaluation and Audit. She noted that she already appointed the Chief of the Internal Audit Service. She also approved a risk-based workplan for 2018, which includes nine country office audits and one headquarters audit with 20 DIM Project audits in 15 different countries. She thanked the Interim Director for ensuring that there was no gap in internal audit while the new audit was being set up.

17. On evaluation, the head of UN-Women appointed the Chief of the Independent Evaluation Service. She noted that the report on the evaluation function shows significant progress across all performance indicators, and that UN-Women agrees with the recommendations and will take actions in the management response.

18. Underlining UN-Women's ability to elevate the voices of women from the grassroots level, the Under-Secretary-General/Executive Director drew attention to the European Development Days in Brussels, which were focused on gender equality and women's empowerment and highlighted the EU-UN Spotlight Initiative. She also noted her involvement in Canada's Gender Equality Advisory Council for the G7

Presidency and encouraged Member States to read the full Council's report, which called for 20% of all aid to go to programmes that benefit gender equality and the empowerment of women and girls. She underlined that G7 leaders discussed gender equality and women's empowerment for two full hours and that gender perspectives were systematically mainstreamed in other G7 themes. She welcomed the nearly US$3 billion commitment to girls' education and the commitment by G7 development finance institutions to mobilize US$3 billion by 2020 for women's empowerment.

19. In conclusion, the head of the Entity told Member States that she, the Deputy Executive Directors, the Senior Management Team and the entire UN-Women team were committed to making the most of the opportunities provided by the repositioning of the UN development system.

20. Thirty speakers took the floor, 16 of which were women. Overall, Member States welcomed the progress outlined in the annual report and expressed their support for UN-Women's normative framework and its operational achievements at country level. Many delegations stressed the vital role of gender equality and women's empowerment in fulfilling the 2030 Agenda and called on UN-Women to continue making progress in its own capacity. Delegations asked UN-Women to leverage its coordination mandate to streamline gender perspectives in the work of sister agencies, including by promoting gender parity within the UN system. Several delegations encouraged UN-Women to ensure adequate funding for its coordination and oversight functions, looked forward to learning more of its resource mobilization strategy, and called on Member States to increase core contributions.

21. One delegation, delivering a statement on behalf of 50 Member States and echoed by several others, firmly condemned sexual exploitation and abuse (SEA) and sexual harassment, stating that these practices, undermining the work and credibility of the UN, should not be tolerated under any circumstances. The delegation called on UN-Women to step up its commitment to combating these forms of abuse and provide a supportive network to victims and whistle-blowers.

22. Recalling the recently adopted resolution on the repositioning of the UN development system, one delegation, delivering a statement on behalf of 22 Member States, called on UN-Women to support the Secretary-General in fully implementing reforms. The delegate urged UN-Women to not only apply focus to its own activities of comparative advantage, but also leverage its coordination mandate to further mainstream a gender perspective throughout all the work of the UN development system.

23. One Member State called on UN-Women to increase support to developing countries and place emphasis on women's education, employment, health and eradicating poverty.

24. One delegation urged UN-Women to consider cultural and religious contexts in its work. Echoing the remarks of other delegations, the Member State requested UN-Women to ensure that its operational activities are always conducted with the consent and guidance of the host country.

25. In response, the Secretariat thanked Member States for their welcoming remarks supporting UN-Women's mandate. Acknowledging that Member States' support was critical to UN-Women's normative and intergovernmental agendas, the Secretariat noted that more work needed to be done to translate normative standards in New York into operational policies at the country level.

26. The Secretariat echoed the sentiments of Member States on the issues of SEA and harassment and assured them that UN-Women was working continuously to effect change within the UN system and beyond. Looking forward to the informal lunch briefing, the Secretariat stressed that UN-Women has already developed a response in line with Member States' expectations.

27. Regarding UN reform, UN-Women has worked to anticipate the implications of the newly adopted resolution in the preparation of its Strategic Plan 2018-2021. The Secretariat assured Member States that UN-Women remained committed to abiding by the reform and collaborating closely with sister agencies. The Secretariat also noted that UN-Women was the first agency to pledge that there will be no single freestanding UN-Women project by 2021, and that all projects would take part of a UN joint programming approach.

III. Financial, budgetary and administrative matters: briefing on cost recovery

28. The Director of Management and Administration gave a short briefing on the progress made on the cost recovery process. A formal item on cost recovery will be present in the agenda of the second regular session in September 2018, to be informed by the joint report on cost recovery.

29. The report will present two evidence-based proposals for harmonized cost recovery policies. These proposals are built on overarching principles from past decisions of the Executive Boards of the respective entities. These principles include: harmonization across the four entities; maximizing allocation of core resources to programmatic activities; minimizing cross-subsidization between core and non-core resources; and continuing to be cost-effective and competitive within the overall development cooperation system.

IV. Evaluation

30. The report on the evaluation function, 2017 (UNW/2018/4), outlined milestones achieved in 2017, the Interim Director acknowledged the development of key strategies such as the Global Evaluation Strategy 2018-2021 and the Corporate Evaluation Plan 2018-2021, containing the joint evaluation of the Common Chapter of the Strategic Plan 2018-2021. He also highlighted the co-location of the independent evaluation and internal audit functions under one oversight umbrella, the Independent Evaluation and Internal Audit Service (IEAS).

31. From 2014 to 2017, the Evaluation Office conducted seven corporate evaluations, four meta-analyses, and two joint reviews on gender policies and practices in the UN system and beyond. At the decentralized level, 116 evaluations were completed from 2014 to 2017. The results indicated that UN-Women achieved or made good progress on all nine key performance indicators (KPIs). However, the Interim Director noted with concern the decrease in financial resources invested in evaluation, from 2.9% in 2016 to 2.7% in 2017, both missing the target of 3% for 2017.

32. In providing the management perspective to the report on the evaluation function, 2017, the Deputy Executive Director for Programmes noted with appreciation the overall positive feedback from Member States on UN-Women's

evaluation reports. In this context, he noted that the evaluation function was working on preparing a new strategic note in line with the 2030 Agenda. He underlined that UN-Women's organizational strategic goals and priorities are also closely aligned with the evaluation strategies outlined in the report. Despite seeing the positive trends across the evaluation KPIs, the Deputy Executive Director acknowledged that two KPIs need to progress. The first KPI, indicating a decrease in the financial resources invested in evaluation, represents a reduction in the third-party cost-sharing arrangement UN-Women has for developing the capacities of national evaluation entities. The second KPI, indicating a decrease in the implementation rate of evaluation recommendations despite the increased implementation efforts, represented a lag in reporting.

33. The corporate evaluation of UN-Women's contribution to women's political participation and leadership (UNW/2018/CRP.2) was presented by the Chief of the Independent Evaluation Service (IES). In the evaluation process, applying gender equality and human rights perspectives, six countries were visited and 397 stakeholders were consulted. The evaluation report contained 20 findings, six conclusions and six recommendations. Among the conclusions, the IES found that UN reform efforts would provide new opportunities as well as challenges to implementing UN-Women's coordination mandate on women's political participation, especially at the country level. Furthermore, UN-Women needed to prioritize and increase its efforts to address marginalization within its women's political participation work. Among the recommendations, the IES encouraged UN-Women to strengthen its prioritization capacity at the country level, establish a clear division of labour with other UN agencies around potentially overlapping mandates, invest in a thematic resource mobilization approach that addresses regional priorities, and invest in new programming on social norms change.

34. Providing the management response to the corporate evaluation of UN-Women's contribution to women's political participation and leadership, the Deputy Executive Director outlined key action points that UN-Women will take to implement the six corporate evaluation recommendations. This includes developing operational guidance for clarifying the implementation of the Entity's coordination mandate to establish a clear division of labour with other UN agencies; investing in the capacity-strengthening of personnel to enhance UN-Women's ability to deliver results and meet stakeholder requests; and enhancing UN-Women country programming with community dialogues, media capacity building, and leveraging the HeForShe campaign to encourage more political leaders to publicly promote women's leadership.

35. Overall, Member States were pleased with the reports from the evaluation offices. They welcomed the high level of implementation of recommendations and the actions taken to improve data collection methodologies. One Member State stressed the need to allocate sufficient resources to the evaluation function. Another noted that some issues raised in the report, particularly regarding the prioritization of activities and its coordination role, were not new. One delegation, noting that UN-Women has policy advisors in just two regional offices, has asked the Entity why it has prioritized those regions above others. Another delegation asked UN-Women to elaborate further on its efforts to strengthen partnerships both within and outside the UN system to address marginalization.

36. Responding to Member States questions, the Deputy Executive Director Yannick Glemarec stated that, due to resource constraints, UN-Women could only have two regional policy specialists. However, he noted that the Entity will soon recruit new

policy specialists for Latin America and Asia. Regarding partnerships, the Deputy Executive Director highlighted how UN-Women would partner with media associations, particularly radio stations, which would reach out to millions who are marginalized.

V. Audit matters

37. The Director of the Office of Audit and Investigations (OAI) of UNDP presented the report on internal audit and investigation activities for the period from 1 January to 31 December 2017 (UNW/2018/3). This report represented the seventh and last year that UN-Women has outsourced its audit functions to UNDP.

38. In 2017, OAI continued to use a risk-based approach for all audit plans, focusing on offices and functions rated high and medium risk. OAI issued seven field office audit reports and 20 directly implemented project audit reports by the end of 2017, while the two remaining audits were issued in 2018. The OAI has reported that no field office was assigned an overall rating of unsatisfactory in 2017. Out of the nine reports, three were rated partially satisfactory with major improvements needed, two were rated partially satisfactory with some improvements needed, two offices were rated satisfactory, and two did not receive a rating as they were follow-up audit reports.

39. As of 31 December 2017, the rate of implementation was 99%, which is one percent higher compared to 2016 and fully meets the UN-Women management benchmark of 90%. Furthermore, as of 31 December 2017, there were no recommendations outstanding for more than 18 months.

40. In 2017, OAI opened 17 new investigation cases for UN-Women, compared with 41 in 2016. The office also carried over 26 cases from 2016. Seven investigation reports were issued in 2017.

41. The Chairperson of UN-Women's Audit Advisory Committee (AAC) presented the report of the Audit Advisory Committee for the period from 1 January to 31 December 2017 (UNW/2018/3/Add.1). She noted that regional architecture was one of UN-Women's organizational priorities, and that in response to the independent evaluation of regional architecture completed in 2016, the Entity has been working on refining its country presence typology to support structural adjustments in line with its Strategic Plan 2018-2021.

42. The AAC continued to note UN-Women's ongoing challenges regarding resource mobilization, understanding that it remained the highest organizational risk for the Entity. In response, a resource mobilization performance audit was conducted in 2017 and recommended some major improvements, which the Entity plans to address in its resource mobilization strategy 2018-2021.

43. In 2017, the AAC supported UN-Women's recommendation to establish one organizational unit beginning in 2018 that would bring together the independent assurance functions of internal audit and evaluation. The AAC commended UN-Women on the transitioning process but noted with concern that the current level of audit coverage remains somewhat limited. The AAC also noted the decrease in new investigation cases in 2017 and stressed that UN-Women continue to focus on creating a greater awareness of reporting obligations and the channels to do so. The committee remained concerned that the future projected budget for the evaluation function may be high considering the size of UN-Women and the resource challenges it faces.

44. In the management response to the 2017 annual report on internal audit and investigation activities, UN-Women's Director of Management and Administration noted that the Entity received a satisfactory opinion and had a 99% implementation rate of audit recommendations. He informed delegates that UN-Women is committed to extending its audit assurance coverage. In response to the Executive Board's decision 2017/4, UN-Women confirmed that all corporate and recurring recommendations from 2016 were implemented, which led to positive effects such as an increase in funding and streamlining the management of global programmes. Regarding investigations, UN-Women has fully implemented a zero-tolerance policy in all substantiated cases of SEA and sexual harassment and has fully recovered from financial losses recorded in 2016.

45. In the management response to the Joint Inspection Unit (JIU) reports issued in 2017, the Director stated that of the 40 recommendations assigned to UN-Women for action, 19 have been implemented, five are in progress, and 16 are under consideration. He noted that some recommendations' implementation is largely subject to available resources, internal capacity, or requires consultation with Member States.

46. In the management response to the report of the Audit Advisory Committee, the Director highlighted how UN-Women has worked to implement the AAC's recommendations. Specifically, UN-Women refined its country office typology considering the outcomes of the repositioning of the UN development system. The Entity integrated its Results Management System with the Enterprise Resource Planning System to enable the tracking of budgets and expenditures against results. UN-Women developed a new Corporate Resource Mobilization and Partnership Strategy 2018-2021 with clear targets, timelines, roles and responsibilities.

47. Overall, Member States expressed satisfaction with the results highlighted in the reports. Two delegations asked UN-Women to explain the decrease in investigation caseloads in 2017. One Member State noted with concern the lack of an adequate response to the limited OAI audit assurance coverage and additionally requested UN-Women to assess and implement the appropriate structures to support the Entity's Second Line of Defence. One Member State asked for more details on the proportion of reported sexual harassment cases in comparison to other harassment cases. Finally, another delegation requested UN-Women to provide an update on its new resource mobilization strategy.

48. In response to Member States, the Secretariat indicated that it could not explain the decrease in investigation caseloads; however it has continued to raise awareness on issues of misconduct and fraud and has actively publicized the availability of reporting mechanisms. UN-Women agreed to follow the AAC recommendations for its Second Line of Defence. The Secretariat informed Member States that UN-Women cannot currently separate the cases of sexual harassment from other harassment cases, but it assures that it will be able to do so starting in August with the new case management system. Finally, elaborating on UN-Women's new resource mobilization strategy, the Secretariat indicated that a new area of focus will involve prioritizing funding prospects that carry the greatest potential. In this regard, the Secretariat invited Member States to request a briefing for more details.

49. The Interim Director of UN-Women's Independent Evaluation and Audit Services (IEAS) gave a brief update to Member States on the establishment of an in-house internal audit service alongside the independent evaluation service. In the implementation of the approved transitional risk-based audit work plan for 2018, six senior audit specialists were engaged to undertake five country office audits and one

HQ audit, and three international audit firms were contracted to carry out the audit of 17 Direct Implementation projects in 14 country offices. The internal audit service performs in accordance with the standards of the International Professional Practices Framework, including the professional Code of Ethics from the Institute of Internal Audit. The co-located evaluation and internal audit functions will benefit from two levels of independence: on the organizational level with a direct reporting line to the Under-Secretary-General/Executive Director and the Executive Board, and on the functional level, with clear roles and responsibilities defined for each function. In strengthening synergies between both functions, collaborative work planning is critical to maximizing coverage and avoiding overlap.

50. One Member State thanked UN-Women for the update and encouraged the Entity to continue providing updates to Member States on the transition process. Another Member State requested UN-Women to elaborate on how the Director position for the IEAS will be filled.

51. In response to the delegations, the Secretariat explained that while the Director position for IEAS has yet to be filled, several quality candidates have been identified.

VI. Special briefing: Operational response of UN-Women in Tanzania

52. UN-Women's Programme Director made opening remarks on the Entity's operational work in Tanzania. She highlighted that UN-Women helped incorporate several laws pushing gender responsive legislation and ending violence against women. She also noted that the Entity was working in line with UN reforms and collaborating closely with other UN agencies.

53. UN-Women's Representative for Eastern and Southern Africa provided Member States with a detailed briefing on UN-Women's work in Tanzania, which has been primarily guided by the country's national development plan and the United Nations Development Assistance Programme (UNDAP) II. The response was focused on key thematic results areas: democratic governance, human rights and gender equality; inclusive economic growth and education; environment and climate change resilience; and HIV/AIDS prevention, treatment and support. The regional office has reported several positive results, notably in women's leadership and political participation where 2015 saw a 47% increase in the number of women elected as MPs since 2005; in women's economic empowerment, where 8,628 women entrepreneurs were empowered to conduct profitable businesses; and in ending violence against women, where UN-Women supported Tanzania in launching the Legal Aid Act and National Plan of Action (NPA). The representative also acknowledged challenges in addressing child marriage and changing mindsets. The regional office is currently supporting the Tanzanian government in developing a new comprehensive gender policy to make sure no one is left behind.

54. In response, the Ambassador and Permanent Representative of Tanzania commended UN-Women for the report and its work in the country. The Ambassador reiterated his country's principles and agreements contained in the Beijing Platform for Action to prioritize the empowerment of women. In this regard, he highlighted several achievements made thus far, including a 36% female representation in parliament, the development of programmes that have economically empowered women entrepreneurs through bank loans, and establishing policies banning gender discrimination or harassment at the workplace.

55. Other Member States have also commended UN-Women's work. One delegation asked the Secretariat to elaborate on how UN-Women fulfils its coordination mandate in the context of the UN reform process. Another speaker asked how UN-Women addresses cultural issues in Tanzania.

56. In addressing the issue of coordination, the UN-Women Representative for Eastern and Southern Africa explained that the Entity frequently meets with sister agencies to follow common reporting processes. The Entity has also been focused on creating a new gender equality scorecard in the region to ensure that all agencies are delivering effectively for gender equality. Regarding cultural challenges, UN-Women has been creating partnerships with local religious leaders to advocate for women's participation across faiths, as well as working with Civil Society Organisations (CSOs) at the grassroots levels for raising awareness campaigns.

VII. Informal briefing on UN-Women's actions to strengthening the protection of populations from sexual exploitation and abuse by its personnel; and sexual harassment at the work place

57. During the lunch-time session on 20 June 2018, the Executive Board held an informal briefing on UN-Women's actions to strengthening the protection of populations from sexual exploitation and abuse (SEA) by its personnel and against sexual harassment at the work place, attended by the Under-Secretary-General/Executive Director.

58. In her opening remarks, the Under-Secretary-General/Executive Director noted that tackling SEA and sexual harassment was an extremely important topic for UN-Women, as it concerned all women and girls of the world. Encouraged to see greater awareness on this issue and the high prevalence of cases it has exposed, the head of the Entity noted that UN-Women is uniquely placed to address the problem both within and beyond the UN system. She mentioned the appointment of an Executive Coordinator of UN-Women, to serve as the focal point for addressing sexual harassment and other forms of discrimination, and stressed the critical value of having a "go-to" person on the issue, noting that other agencies are following this model. The head of the Entity emphasized that UN-Women will adopt a victim-focused approach on the issue to make sure women are not afraid to report misconduct and are protected throughout the process. This approach is particularly important because sexual harassment is primarily a power relations problem, where predominantly younger women and men in more junior positions are victims of this form of abuse.

59. The Human Resources Director of UN-Women presented on the Entity's prevention measures from SEA. Aligned with other agencies, UN-Women continues to implement a zero-tolerance policy against sexual and gender-based violence and discrimination. The policy framework is built upon established framework for combating SEA, like the Secretary-General's Bulletin, and UN-Women's own policies against sexual harassment and retaliation, in working closely with the independent UN ethics office. She elaborated on the reporting process for sexual harassment complaints and described the formal and informal channels the victims can use to address the problem: the former involving a formal report to the Office of Internal Oversight Services (OIOS), and the latter typically involving the intervention of an independent ombudsman. The Director noted that one case of SEA was reported in 2017, with an ongoing investigation. No cases of sexual harassment were reported.

The Director highlighted that all staff are required to take three mandatory online training courses, and staff were also handed a June 2018 handbook on policies and procedures for SEA and sexual harassment. Additionally, UN-Women has been an active participant in the CEB Task Force on sexual harassment and the SEA Working Group.

60. The Executive Coordinator and Spokesperson on Sexual Assault and other forms of discrimination underlined that the heightened awareness of the prevalence of sexual violence and sexual harassment has strong implications for the work of UN-Women and the UN system in achieving the SDGs. She explained that sexual harassment consisted of a range of behaviours often based on gender inequalities in power. In this regard, UN-Women's work has been focussing on combating all forms of sexual violence and discrimination within the system. The UN's work is being reviewed in seven areas: policy (in which a working group is co-chaired by UN-Women); guidelines for managers; sexual harassment at UN events; helplines and hotlines; investigations and reporting; training and communications (in which a working group is co-chaired by UN-Women); and harmonized factsheets and information. In the policy working group, UN-Women is working on developing a framework for addressing sexual harassment in the UN system. The Executive Coordinator stressed the importance of zero tolerance and addressing cultural norms head on, and assured Member States that UN-Women will be reviewing its own practices to be better aligned with these new frameworks.

61. Overall, Member States were appreciative of UN-Women's zero-tolerance approach to combating SEA and sexual harassment, and some thanked the Under-Secretary-General/Executive Director for appointing a spokesperson to address these issues directly. One Member State, citing the need to increase efficiency and avoid duplication in the UN's work, stated that a briefing on the topic would be more welcome during the Joint Meeting of the Boards where all relevant Entities can address these common issues. In contrast, other Member States argued that the topic should be engaged in both a system-wide and entity-by-entity track due to differences in governance and because the Joint Meeting of the Boards does not hold any decision-making authority. One Member State asked the Secretariat to elaborate on what challenges UN-Women is facing in combating SEA and sexual harassment. Two delegations requested more details on how UN-Women is addressing issues of under-reporting. One speaker wanted to know about the number of cases in the formal and informal tracks of reporting. Another Member State wanted to know how UN-Women was specifically working to protect staff in junior positions such as interns or consultants.

62. The Secretariat indicated that while changing procedures to address SEA and sexual harassment is a challenge, changing workplace culture is more difficult. This would primarily involve changing the mindsets that treat reports of misconduct as inherently suspicious. The Secretariat then informed Member States that the issue of under-reporting only looks at formal reports to the OIOS, and that almost all reports have been conducted through informal channels. However, the Secretariat did acknowledge that under-reporting may still be an issue, which would thus warrant further training staff, reassuring personnel that all reported cases of misconduct will be treated with confidentiality and that victims will be supported. UN-Women will be working with the UN on creating a database to screen prospective hires and ensure that perpetrators will no longer be part of the UN system. The Secretariat was unable to provide an exact number on cases pursued in the informal process since this channel used different routes, but it assured Member States that it will work on capturing these numbers in the future. Understanding the underlying implications of unequal power

relations, UN-Women has worked closely with interns, trainees and JPOs during a youth town hall and discussed how the Entity can offer support and create a safe workspace.

63. The Under-Secretary-General/Executive Director reiterated the importance of addressing this issue and stressed that the UN-Women Executive Board is in a better position to change these discriminatory trends than ever before, and that the UN must work harder to be a standard setter for the rest of the world. The head of the Entity acknowledged a lack of trust from UN staff towards Senior Management to tackle these issues, as the UN system suffers from credibility issues and mindsets are not being changed fast enough. In this regard, she called on Member States to support the Secretary-General's initiative against SEA and sexual harassment and become more engaged at home.

64. In closing, the Deputy Executive Director underlined the harmful imbalances in unequal power relations that allow male perpetrators to escape accountability for their actions and noted the importance of changing mindsets. She also stressed the importance of co-opting support from the leadership level to protect victims in lower level positions. Finally, she emphasized the need for UN-Women to be a leader in effecting change in the UN system.

VIII. Closing

65. In his closing statement, the Deputy Executive Director thanked the Executive Board President for her exceptional support and work in harmonizing the working methods of the Boards. He also thanked Member States for their decisions and the guidance provided. Looking towards to the annual session of 2019, he reminded Member States that the report will look at the first year of implementation of the Strategic Plan 2018-2021, which will provide a deeper analysis of any unmet indicators and attrition than previous reports. Welcoming the strong support for the flagship programme initiatives, the Deputy Executive Director thanked all the Member States that supported UN-Women in organizing partner round tables and noted that such programmes make the most difference when championed by Member States. On the repositioning process of the UN development system, he assured that UN-Women remains committed to ensuring a swift implementation of the recently adopted General Assembly resolution, seeing it as a smart catalyst for gender equality and women's empowerment. He reiterated the importance of combating SEA and sexual harassment, and underlined that these issues pose a fundamental threat to the UN's ability to work. On evaluation and audit, UN-Women remains committed to preserving the independence of the functions. Finally, touching on the issue of resources, the Deputy Executive Director noted that the stagnant level of core funding risks adversely impacting the quality, efficiency, effectiveness and transparency of UN-Women's work, as well as the effectiveness of oversight functions.

66. At the closing of the session, the President of the Executive Board thanked Member States for their work and guidance. Reflecting on the session's discussions, she shared her appreciation for UN-Women's responsiveness to the UN development system reform.

Annex I

Decisions adopted at the annual session of 2018

2018/1
Annual Report of the Under-Secretary-General/Executive Director on the Strategic Plan 2014-2017

The Executive Board:

1. *Takes note* of the Annual Report of the Under-Secretary-General/Executive Director on the Strategic Plan 2014-2017;

2. *Commends* UN-Women on a strong performance to date, and notes with appreciation that UN-Women has reached the majority of the objectives of the Strategic Plan 2014-2017, further takes note of the progress made in the results-based management system and requests UN-Women to continue to improve its efficiency, effectiveness, transparency and accountability;

3. *Takes note of* the increased number of partnerships for achieving gender equality and the empowerment of women and girls and encourages UN-Women to continue its efforts in this regard;

4. *Encourages* UN-Women to continue to take into account lessons learned from the implementation of the Strategic Plan 2014-2017, in support of the implementation of the Strategic Plan 2018-2021;

5. *Recognizes* the interagency efforts being made to advance the Common Chapter of their strategic plans and requests UN-Women to continue consultations with United Nations funds and programmes on the harmonized format for Common Chapter reporting and asks UN-Women to report on the status of the implementation of the Common Chapter, starting with the annual report for 2018, at the joint meeting of the Executive Boards and at its annual session;

6. *Commends* UN-Women on effectively leveraging its mandate as a composite entity in assisting Member States, upon their request, and in ensuring coherence, consistency and coordination between the normative and operational aspects of its work; and reaffirms the important role of UN-Women in leading, coordinating and promoting the accountability of the United Nations system in its work on gender equality and women's empowerment and on gender mainstreaming across the United Nations System;

7. *Requests* UN-Women to continue to engage with the Secretary-General, other United Nations development system (UNDS) entities and Member States with a view to support full implementation of General Assembly resolutions 71/243 and 72/279, including its contribution to a smooth transition and business continuity of the resident coordinator system;

8. *Requests* UN-Women, as a UNDS entity, to engage with the Secretary-General and Member States to support preparation of a well-thought-out implementation plan for the inception of the reinvigorated resident coordinator system, including on the operationalization of its funding arrangements, to be presented to the General Assembly;

9. *Also requests* UN-Women to present a preliminary analysis of the financial and other implications of resolution 72/279 for UN-Women to the Executive Board at the second regular session 2018;

10. *Further requests* UN-Women, in accordance with resolution 72/279, to provide its contribution to the adequate, predicable and sustainable funding of the resident coordinator system, in line with the forthcoming implementation plan for the inception of the reinvigorated resident coordinator system to be presented to the General Assembly, on an annual basis starting 1 January 2019;

11. *Welcomes* the Executive Director's commitment to implementing resolutions 71/243 and 72/279 and in this regard encourages the secretariat of the UN-Women Executive Board to work together with the secretariats of the UNDP/UNFPA/UNOPS, UNICEF and WFP Executive Boards to produce a joint response to the 2018 joint meeting of the Executive Boards segment on working methods by no later than four weeks before the second regular session 2018, allowing for a consultation process among Member States ahead of that session;

12. *Requests* UN-Women to provide in advance of the second regular session 2018 an overview of funding gaps in relation to the implementation of the Strategic Plan, 2018-2021, taking into account both regular and other resources, and encourages countries in a position to do so, to increase their contributions, especially to regular resources, to ensure the full and effective implementation of the Strategic Plan 2018-2021, and requests UN-Women to be transparent in the use of resources to achieve programme results;

13. *Decides* to transmit the report to the Economic and Social Council.

2018/2
Report on the evaluation function of the United Nations Entity for Gender Equality and the Empowerment of Women, 2017

The Executive Board:

1. *Takes note* of the Report on the evaluation function of the United Nations Entity for Gender Equality and the Empowerment of Women, 2017, and the programme of work and budget for 2018 of the Independent Evaluation Service;

2. *Welcomes* the steps taken by UN-Women to establish a credible and useful evaluation function and its contribution to system-wide gender-responsive evaluation efforts, emphasizes that evaluation should be country-driven and that programme countries' ownership and leadership should be ensured in the evaluation of all forms of assistance, and requests UN-Women, in cooperation with other United Nations system organizations, to continue its efforts to facilitate the building of national evaluation capacities, where applicable;

3. *Requests* UN-Women to ensure the adequate functional integrity and independence of the evaluation function within the Independent Evaluation and Audit Services and to report on how this has been done in its next report;

4. *Expresses* its support for the strengthening of the Independent Evaluation function, including building capacity of UN-Women's evaluation specialists, and requests UN-Women to continue increasing the implementation rate, coverage and use of evaluations and to address the drop in the implementation of management responses in this regard;

5. *Requests* UN-Women to continue the gender-responsive evaluations of country programmes in order to improve programming at country level;

6. *Recognizes* the importance of the evaluation function of UN-Women in providing high-quality, independent and impartial evaluations, and requests UN-Women to take into account the findings of its evaluations in the implementation of the Strategic Plan 2018-2021;

7. *Requests* that the Independent Evaluation Service seeks out opportunities with respective evaluation bodies of the United Nations funds, programmes and agencies for joint evaluations of system-wide activities as well as the evaluation of the Common Chapter of the Strategic Plan 2018-2021, and calls upon the Independent Evaluation Service and UN-Women to brief the Executive Board at the second regular session 2018 on progress on these matters, including their contributions to the function of system-wide independent evaluation measures;

8. *Takes note* of the progress made on implementing decision 2016/2 which requested UN-Women to enhance the coverage of evaluations, the implementation rate of planned evaluations, financial resources invested in the evaluation function and the submission of management responses to the Global Accountability and Tracking of Evaluation system and use evaluation recommendations in its work; and *further requests* UN-Women to make progress in implementing the recommendations of the Global Evaluation Advisory Committee (GEAC) and to update the Executive Board on progress by the annual session 2019;

9. *Strongly encourages* UN-Women management to work with the Independent Evaluation Service to continue efforts to strengthen the quality and process of corporate and decentralized evaluations, the implementation rate and coverage of decentralized evaluations, and to use the evaluations as learning and knowledge management tools to enhance future programmes and to ensure appropriate resourcing for centralized and decentralized evaluations;

10. *Notes* the decrease in total spending on evaluations and strongly encourages UN-Women to reach the target of allocating 3% of the total UN-Women programme budget to the evaluation function by the end of the period of the Strategic Plan 2018-2021;

11. *Requests* UN-Women to present an oral update to the Executive Board on its new Global Evaluation Strategy, 2018-2021, at the first regular session of 2019;

12. *Takes note* of UN-Women's work in evaluating its contribution to women's political participation and leadership and encourages UN-Women to take into account lessons learnt in its work.

2018/3
Report on internal audit and investigation activities for the period from 1 January to 31 December 2017

The Executive Board,

1. *Takes note* of the Report on internal audit and investigation activities for the period from 1 January to 31 December 2017;

2. *Notes* the increase in the implementation rate of audit recommendations and the number of audit reports issued in 2017 and encourages the Independent Evaluation and Audit Services to address the lack of audits completed at Headquarters level;

3. *Notes with appreciation* that UNDP/OAI has been allocated appropriate and sufficient resources in the year 2017, and requests UN-Women to continue to allocate sufficient resources to ensure a satisfactory number of internal audits and investigations each year and guarantee the independence of these functions within the Independent Evaluation and Audit Services;

4. *Expresses* its continuing support for further strengthening of governance, risk management, internal controls and accountability at UN-Women and requests UN-Women to strengthen its analysis of the functioning of these key processes in its future reports to assist the Executive Board's understanding;

5. *Expresses* also its continuing support for the audit and evaluation functions at UN-Women, and urges UN-Women management to continue to leverage synergies between the Evaluation and Audit functions of the Independent Evaluation and Audit Services and *requests* UN-Women to provide information on the measures taken to ensure effective linkages between audit and the outsourced investigation function;

6. *Notes* that resource mobilization is a high organizational risk that may affect UN-Women's ability to adequately resource key accountability functions and activities, and in this regard, acknowledges the importance of setting realistic targets and clear assignment of responsibility and accountability for resource mobilization for core and non-core resources;

7. *Recalls* decision 2016/3 in which the Executive Board noted several areas of recurring weaknesses, including the high number of audit recommendations that were corporate in nature, and underscored the importance of progressing with implementation of recurring high priority recommendations;

8. *Reiterates* its concerns about the adequacy of audit coverage and urges UN-Women to follow up on the advice of the OAI and the Audit Advisory Committee to further intensify its efforts to address areas of recurring audit recommendations that pose significant risk, and assessing and implementing appropriate frameworks to support UN-Women's Risk Management and Compliance Functions ("second line of defence") at Headquarters and in the field;

9. *Supports* the "zero tolerance" of the head of UN-Women towards sexual harassment, and appreciates the actions UN-Women has taken so far to prevent and manage sexual harassment, to implement further institutional and cultural changes, and to ensure a joined-up, system-wide, coherent approach;

10. *Requests* UN-Women management, as required under the Secretary General's report on special measures for protection from sexual exploitation and abuse, to present its annual certification to the Executive Board at each annual session, to cover sexual exploitation and abuse, and sexual harassment, as appropriate, complementing and strengthening its existing reporting, and to provide updates on progress made in that regard, including working with the United Nations Office of the Victims' Rights Advocate; and further urges UN-Women to consider how to align reporting formats and content with agencies, where appropriate;

11. *Encourages* UN-Women management to undertake, using existing resources under the integrated budget 2018-2021, an independent victim-centred review of its policies and processes on tackling both sexual exploitation and abuse and sexual harassment, to review the current practices of UN-Women and provide recommendations on both issues, and requests UN-Women to present the review and associated management response to the Executive Board at its annual session 2019;

12. *Encourages* UN-Women to provide more detail in their future responses to both existing and new audit recommendations, including milestones and targets for implementing changes and improvements;

13. *Requests* the audit and investigation functions to include in future annual reports an analysis of the channels by which allegations of fraud and other misconduct are detected or reported to the investigation function and to provide a more detailed analysis of workplace harassment cases, including sexual harassment, covering the falling number of cases, as well as investigations and actions taken, in its 2019 annual report to the Executive Board;

14. *Takes note* of the Report of the Audit Advisory Committee for the period from 1 January to 31 December 2017;

15. *Encourages* UN-Women to consider the Audit Advisory Committee's recommendations.

2018/4
Cost Recovery

The Executive Board:

1. *Recalls* decision 2013/2 and subsequent decision 2017/2 in which it was requested that UN-Women, together with UNDP, UNFPA and UNICEF, continues the consultations with Member States about the cost recovery policy and presents evidence-based proposals for harmonized cost recovery policies of UNDP, UNFPA, UN-Women and UNICEF, with adjustments if required, for consideration by the Executive Board no later than its Annual Session in 2018;

2. *Notes* the request of some members of the Executive Board to postpone the presentation of the proposal;

3. *Requests* UN-Women to present the joint cost-recovery proposal report, prepared by UNDP, UNFPA, UNICEF and UN-Women, to the Executive Board, at its Second Regular Session in 2018.

UNW/ 2018/6

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Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

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10 and 11 September 2018
Item 2 of the provisional agenda
Structured dialogue on financing

Structured Dialogue on Financing: Investing in Gender Equality and Women's Empowerment through Financing UN-Women's Strategic Plan 2018-2021

Summary

Pursuant to decisions 2014/6, 2015/5, 2016/4 and 2017/7 of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), this report supports a continued structured dialogue that engages the Executive Board on financing UN-Women for the successful implementation of its Strategic Plan 2018-2021, and the achievement of intended outcomes, in support of Member States' gender-responsive realization of the 2030 Agenda for Sustainable Development. The predictability, flexibility and the alignment between funds and their purpose are the key considerations this report discusses to support a comprehensive and in-depth structured dialogue on financing. Agreement on how to achieve an optimal funding structure for UN-Women's reoccurring funding needs, financial sustainability and resilience are the dialogue's objectives, particularly in the context of pressures on official development assistance and UN reform.

The Executive Board may wish to: a) *take note* of the 2018 report on Structured Dialogue on Financing: Investing in Gender Equality and Women's Empowerment through Financing UN-Women's Strategic Plan 2018-2021, and encourage UN-Women to continue engaging in a structured dialogue with Member States, with a view to tracking, assessing and following up on the level of funding it receives, as well as the predictability, flexibility and alignment of financial resources provided for the implementation of the Strategic Plan 2018-2021; (b) *recognize* the achievements of UN-Women and that a critical mass of regular resources allows the institutional capacity to plan ahead; strengthen oversight and accountability; engage in efficient and effective management; advance UN system coherence and coordination on gender equality and women's empowerment (GEWE) in line with UN reforms; and leverage other resources to provide predictable financing for GEWE; (c) *urge* Member States that are able, to commit increased contributions to UN-Women regular resources in

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2018-2021, as early as possible including through multi-year pledges; and d) *note* with appreciation the increasing number of contributors to UN-Women.

I. Preface

1. The leadership of Member States in supporting UN-Women and their deepened engagement with and further investment in gender equality and women's empowerment (GEWE), with guidance from the Executive Board, is essential for the successful implementation of UN-Women's Strategic Plan 2018-2021. It will have broad implications for Member States in their achievement of the Sustainable Development Goals (SDGs), given the centrality and catalytic effect of GEWE on all dimensions of the 2030 Agenda.

2. Achieving GEWE is a SDG goal in and of itself, with clear intrinsic value that aligns with UN human rights and social justice principles, and is reflected in expanded international gender equality discourse[1]. Research shows that GEWE is central to the achievement of other development goals and that "economic and social losses due to the lack of progress in achieving gender equality...are significant" (E.FFDF/2017/L.1), with World Bank analysis published in 2018 finding that barriers to women's participation in the work force result in "loss in human capital wealth due to gender inequality...estimated at $160.2 trillion."[2]

3. The 2030 Agenda committed the international community to "...work[ing] for a significant increase in investments to close the gender gap and strengthen support for [GEWE] at global, regional and national levels" (A/RES/70/1). The strengthening of Member State, United Nations (UN) and development partner collective action to achieve GEWE, including through increased financial investments, is essential for UN-Women to be "fit for purpose" in fulfilling its unique and central role and triple mandate.

4. UN-Women is the product of UN gender equality architectural reform for improved coherence, coordination and impact, established through a General Assembly resolution (A/64/289), which focused on system-wide coherence.

5. As the only UN organization exclusively dedicated to advancing GEWE worldwide, UN-Women is well positioned to help accelerate the Secretary-General's UN reform agenda, backed by Member States, which seeks to create a "21st Century UN" that is better able to address current challenges through reform of UN management (Secretariat); the development system; and the UN's peace and security architecture; with the System-wide Strategy on Gender Parity strategy as one milestone on the journey towards a more effective UN.

[1] Pittman, Alexandra. 2014. *Fast-Forwarding Gender Equality and Women's Empowerment: Reflections on Measuring Change for UNDP's Thematic Evaluation on Gender Mainstreaming and Gender Equality 2018-2013*. UNDP. See: http://web.undp.org/evaluation/documents/articles-papers/occasional_papers/Occasional%20Paper_Gender_Pittman%20.pdf

[2] Wodon, Quentin T.; de la Brière, Bénédicte. 2018. *Unrealized Potential: The High Cost of Gender Inequality in Earnings. The Cost of Gender Inequality* Notes Series. Washington, DC: World Bank. See: https://openknowledge.worldbank.org/handle/10986/29865

6. UN-Women's first strategic plan period (2011-2013) demonstrated that through UN architectural reform, Member States could pursue and secure greater system-wide coherence in gender equality. The second strategic plan period (2014-2017) focused on establishing the regional and country-level architecture that enabled UN-Women to support Member States' national ambitions. Over the 2014-2017 period, UN-Women successfully supported Member States to deliver important GEWE benefits that positively affected billions of women and girls around the world, in partnership with UN agencies, civil society and the private sector. As a signal of value for money, the second strategic plan saw UN-Women deliver 80% of the planned results having received 80% of the necessary funding, most of which was not predictable.

7. UN-Women's current Strategic Plan 2018-2021 is even more firmly anchored in the long-term vision of supporting Member States to accelerate gender-responsive 2030 Agenda implementation through flagship joint programming that leverages the UN system and multi-stakeholder partnerships and transforms lives and countries. It is underpinned by instruments such as the Convention on the Elimination of All Forms of Discrimination against Women, with its explicit focus on reducing rights violations and the Beijing Declaration and Platform for Action, which frames GEWE as a human rights issue and outlines the necessary GEWE conditions for development. The Strategic Plan sets ambitious targets and uses innovative approaches to help Member States achieve significant results by 2021, less than a decade before the world's deadline for achieving the SDGs.

8. The Strategic Plan 2018-2021 aligns with the plans of the United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA), and the United Nations Children's Fund (UNICEF). These four agencies are committed to combining their collaborative advantage, in order to reduce overlap and duplication, pool expertise, and achieve greater harmonization, innovation and efficiencies in UN funds, programmes and operations, around the world in ways that maximize results for Member States and their citizens.

Why a Structured Dialogue on Financing (SDF)?

9. In line with UN-Women Executive Board decisions 2014/6, 2015/5 and 2016/4 and General Assembly resolutions 67/226 and 71/243 on the quadrennial comprehensive policy review (QCPR) of operational activities for development of the United Nations system, UN-Women is committed to continuing the dialogue on predictable, flexible alignment of the financial resources available to the Entity for the purpose of implementing a four-year strategic plan.

10. The SDF aims to support a more predictable flow of high-quality resources, which are required for UN-Women to deliver fully against its triple mandate of: (i) normative support; (ii) UN system coordination; and (iii) operational activities, in an integrated manner for transformative GEWE results worldwide. The SDF provides an opportunity for UN-Women, in consultation with its main contributors, to determine how to improve transparency, alignment and predictability of finances, taking into account an optimal funding structure.

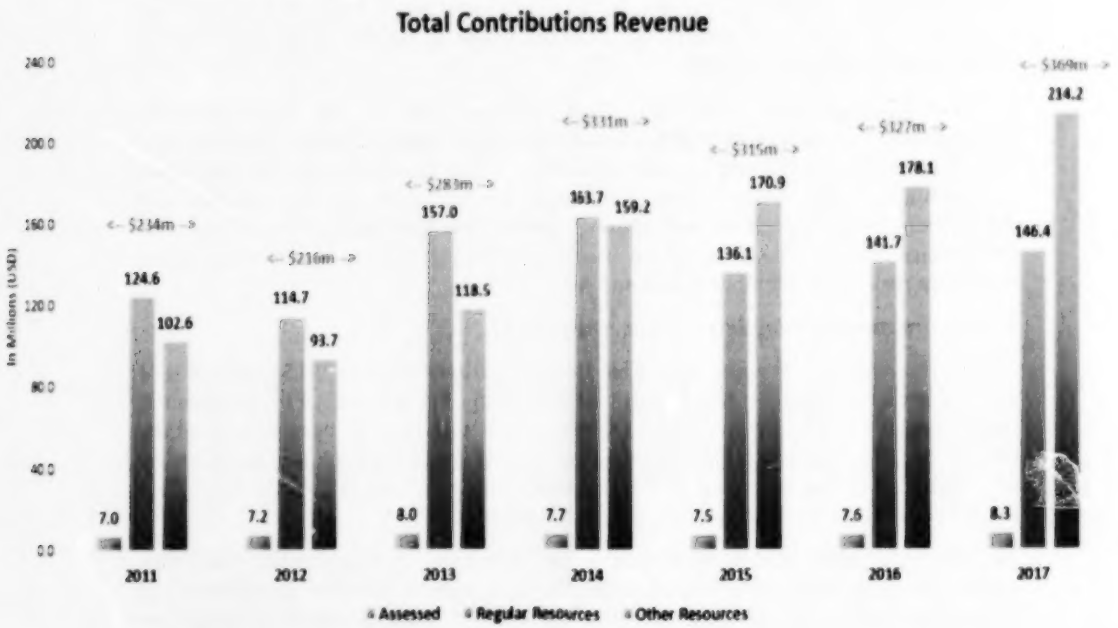
11. The ultimate goal of a structured dialogue is that the UN-Women biennium integrated budgets (IB) for the 2018-2019 and 2020-2021 periods are fully funded in support of the comprehensive implementation of the Strategic Plan 2018-2021. The Strategic Plan 2014-2017 period illustrated how funding shortfalls can limit results.

This 2018 SDF report builds on the conclusions and recommendations stemming from the 2017 SDF process.

12. While UN-Women has not yet reached the $500 million funding target originally identified by the Secretary-General as optimal to enable the Entity to pursue its composite mandate (A/65/531), between 2011-2017 it has experienced the commendable overall revenue growth of 57.6%, with total resources increasing from $234 million in 2011 to $369 million in 2017 (see Figure I).

13. In 2017 UN-Women reached its highest total revenue since establishment, with contributions from a total of 211 donors, 112 (53%) of which were Member States. Despite the increase in voluntary funding, revenue was still $109 million below the IB projections for 2017 of $470 million ($200 million in regular resources [RR] also referred to as core, and $270 million in other resources [OR], also referred to as non-core). Moreover, OR funding has overtaken RR funding in volume over time.

Figure I.
UN-Women total contributions revenue 2011-2017



II. Responding to a Changing World

14. The UN is grappling with the question of relevance in a changing world, which has financial implications for the entire UN system in a global political climate that has become less supportive of multilateralism. For instance, the 28 Member States of the European Union voted that the key priority for the UN and the 73rd United Nations General Assembly will be to boost multilateralism and stand behind the UN in a volatile and unpredictable world[3].

15. Political movements around the world reflect frustration with "growing inequality, increasing impact from climate change and political systems that are less responsive to the people[4]". Shrinking spaces for human rights and gender equality activism in some contexts and contestation over a number of gender equality issues may negatively impact the adequacy of the global GEWE normative framework that underpins UN-Women's mandate and work.

16. The UN, however, remains a force-multiplier for States, addressing global challenges that – due to their complexity and cost – no single State can confront on its own[5]. Even though contributions to the UN represent a small share of national budgets and have multiplying effects (85% of programme country governments report that UN activities "closely" or "very closely" align with their development needs[6]), financing the UN has been an issue of persistent political strife; particularly as it relates to cost-sharing, efficiency, transparency and cost-effectiveness[7].

17. The UN system, with its various bodies and programmes, received $49 billion in revenue in 2016 in the form of assessed and voluntary contributions[8]. The largest share was from governments (78% directly from Governments and a record high of 9% or $2.6 billion from the European Commission[9]).

18. For many United Nations funds and programmes, as for UN-Women, RR contributions are declining. Between 2002 and 2016, across the UN development system, the RR share of total funding dropped from 37% to 22% and the RR share for development-related activities fell from 41% to 28%. Among the top 10 government contributors, only Sweden and the Netherlands provided more RR than OR funding.

19. UN-Women receives the smallest share of the UN's assessed contributions, equivalent to 0.05% of total resources distributed across receiving UN entities in 2016. UN-Women also receives a smaller share of voluntary contributions made by Member States to the UN with funding "concentrated in a relatively small number of [UN] entities, with the top eight (WFP, UNDP, UNICEF, UNHCR, WHO, UNRWA,

[3] See: http://www.consilium.europa.eu/en/press/press-releases/2018/06/25/eu-priorities-at-the-united-nations-and-the-73rd-un-general-assembly-adopted/, and https://www.aa.com.tr/en/analysis-news/the-united-nations-in-a-changing-world-order/915600

[4] See: https://www.globalresearch.ca/power-dynamics-changing-in-world-order/5598514

[5] See: https://www.cfr.org/article/funding-united-nations-what-impact-do-us-contributions-have-un-agencies-and-programs, and https://betterworldcampaign.org/us-un-partnership/importance-of-funding-the-un/

[6] A/73/63—E/2018/8. See: https://digitallibrary.un.org/record/1473566/files/A_73_63%26E_2018_8-EN.pdf

[7] See: https://www.globalpolicy.org/un-finance.html

[8] See: http://www.unsystem.org/content/FS-K00-02

[9] A/73/63—E/2018/8. See: https://digitallibrary.un.org/record/1473566/files/A_73_63%26E_2018_8-EN.pdf

FAO and UNDP) accounting for 84 percent of all contributions in 2016[10]." A June 2017 Dalberg report that estimated expenditure and personnel by SDG put Goal 5 in the bottom half when it came to funding of SDGs, receiving $628 million of an almost $31 billion total UN SDG expenditure[11].

20. These funding patterns reflect a patriarchal world order. While many things have changed, patriarchy is relatively unyielding – it too must change to beckon a new order that is "fit for purpose" in a changing world. Women must play an equal and more active role in framing ethical and financial imperatives and defining prosperity, responsibility and accountability in a sustainable world order.

21. It is not all bad news in the changing world. In contrast to declining RR contributions, between 2002 and 2016 overall funding for UN operational activities for development more than doubled due to OR contribution growth (A/73/63/E/2018/8). Moreover, after a decade marked by several economic crises, "in 2017 global economic growth is estimated to have reached 3.0 percent, a significant acceleration compared to growth of just 2.4 percent in 2016 and the highest rate of global growth recorded since 2011.[12]" Awareness of the importance of GEWE to inclusive growth has increased. With a stronger world economy there is greater potential for governments to effectively address today's sustainable development challenges.

UN reform

22. UN-Women's strategic plan is being implemented in the context of ongoing UN reforms that will lead to changes in the leadership, accountability, mechanisms and capacities of the UN system, to better support countries to achieve the SDGs and meet Paris commitments on climate change. The outcomes of deliberations on the UN reform agenda offer possibilities to better leverage the entire UN system to deliver results for citizens around the world and opportunities to better integrate UN-Women's unique expertise and exclusive focus on GEWE in global efforts to implement the 2030 Agenda's action plan.

23. Alongside the opportunities and challenges presented by a changing world and a UN undergoing reform, action oriented and behaviour changing global people's movements like #HeForShe, #MeToo, and #Time'sUp have emerged – building on the hard-won gains of women's movements over time and supported by UN-Women – that are drawing widespread attention to and expanding dialogue on critical women's empowerment and human rights issues. These feminist-driven conversations are providing new opportunities to demand reform and are bringing renewed attention to GEWE priorities.

24. Financing remains a GEWE priority. The "Time is Now" for UN-Women to be financed for its purpose. The June 2018 decision of the Secretary-General to establish a High-Level Task Force on Financing Gender Equality as proposed by UN-Women, intended to galvanize action across the UN system for increased and targeted GEWE

[10] United Nations, General Assembly Economic and Social Council, *Implementation of Gender Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2018*, A/73/63—E/2018/8 (19 January 2018).

[11] Dalberg, *System-wide Outline of the functions and Capacities of the UN Development System*, Consultant's Report (June 2017)

[12] United Nations, *World Economic Situation and Prospects 2018*.

investments and accurate tracking of resources in this area, is a positive step towards ensuring adequate financing from all stakeholder groups for GEWE priorities worldwide.

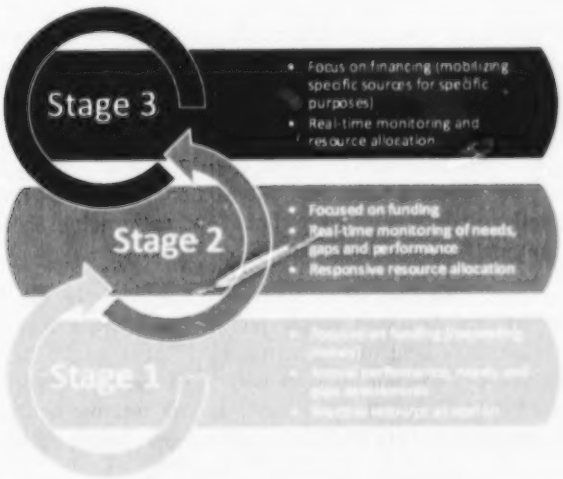
III. A Maturing UN-Women

25. The previous section explored broad-ranging factors affecting UN-Women's financing environment. This section focuses on UN-Women's institutional evolution and the implications of UN reform for UN-Women's financing.

26. UN-Women's maturation is evidenced in its Strategic Plan 2018-2021, which was drafted in recognition of the QCPR and Secretary-General's report on repositioning the United Nations development system to deliver on the 2030 Agenda. The plan affirms strengthening coherence and working together, from joint planning and programming to multi-stakeholder partnerships that extend beyond the UN system. It proposes a collective approach to strategic planning and financing, through a Mainstreaming, Acceleration and Policy Support system to identify priorities and invest in activities, alongside UNDP, UNFPA and UNICEF[13].

27. As presented to the Executive Board in the 2016 and 2017 SDF reports, UN-Women's funding to financing maturation model presents the path to financial sustainability in three stages (see Figure II).

Figure II.
UN-Women's Financial Maturation Model


Stage 3
Focus on financing (mobilizing specific sources for specific purposes)
Real-time monitoring and resource allocation
Stage 2
Focused on funding
Real-time monitoring of needs, gaps and performance
Responsive resource allocation
Stage 1

28. The Entity transitioned to Stage 2 of this model in the 2014-2017 strategic planning period by investing in and strengthening programming as well as monitoring and reporting, to better integrate its composite mandate in the delivery of development results. Now entering the 2018-2019 biennium, the Entity is moving toward Stage 3

[13] A/73/63—E/2018/8. See: https://digitallibrary.un.org/record/1473566/files/A_73_63%26E_2018_8-EN.pdf

of the model, shifting from a funding (annual fundraising) to a financing (mobilizing predictable, flexible financing for institutional as well as programming needs) approach. This evolution aligns with the United Nations Development Group (UNDG) guidance on the path from funding to financing.

29. Moving from funding smaller individual projects to financing larger transformative change through strategic and joint programming requires a balanced combination of institutional and programming resources. In line with UNDG guidance, a financing approach requires that UN-Women map the financial landscape, assess its multi-year funding gap, and develop a resource mobilization strategy to address recurring funding needs in ways that prevent gaps during a strategic planning cycle.[14]

30. The path to a well-developed financing strategy relies on *innovative financing* initiatives that reflect reduced exclusive reliance on traditional and vulnerable funding sources. Innovative financing initiatives can pool funding and combine "both public and private funding streams...[and involve a] range of resource partners (governments, international financial institutions, foundations, businesses and individuals) to...mobilize adequate, sustained, flexible and predictable resources to support SDG implementation."[15]

31. UN-Women is already pursuing innovative financing initiatives across thematic programming areas, such as humanitarian action and gender and statistics; through the modality of its Flagship Programming Initiatives (FPIs) and as part of the €500 million "Spotlight Initiative" to eliminate violence against women and girls, funded using a pooled "all of UN" mechanism for programming. UN-Women supports the UN's efforts to mainstream GEWE across the SDG Fund and the Secretary-General's Funding Compact.

32. Blended finance is being explored, in partnership with private and public finance partners, in the context of joint programmes where the issue of access to finance for women is essential, such as support to women in climate-smart agriculture or for the empowerment of women entrepreneurs.

33. A financing rather than funding approach will move UN-Women towards more predictable, multi-year resources that take into account institutional needs in order to programme and deliver effectively, an optimal funding structure as well as revenue resilience in a changing financial landscape.

34. The highest-level ambition of a financing approach is for UN-Women to contribute to UN efforts to direct larger public and private resource flows that facilitate gender-responsive investments across the 17 goals of the 2030 Agenda. This includes domestic sources wherein the UN will "...[leverage] larger financial flows by helping governments widen the tax base, access international public finance, develop domestic capital markets and put in place appropriate policy environments

[14] https://undg.org/document/funding-to-financing-undaf-companion-guidance/

[15] See: https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/oas/the%20statement%20on%20funding%20and%20finacing%20startegies.pdf

that catalyse investment by reducing risks."[16] Gender-responsive budgeting will be an important tool in this regard. GEWE and development financing have a mutually reinforcing relationship. Adequate financial resources can address gender inequalities and vice versa (e.g. when women's paid and unpaid work is fully valued and accounted for this raises incomes, which in turn raises tax bases, which can be invested in development[17]).

Lessons learned and comparative advantages

35. The findings of UN-Women's Mid-Term Review of its second strategic plan and independent evaluations identified key lessons learned and comparative advantages that informed the Strategic Plan 2018-2021 and its financing. Among identified lessons is the need for better alignment of UN-Women's priorities and interventions with the support Member States need for implementing normative GEWE agreements. It is believed that alignment with Member State development priorities will spur interest in financing.

36. The four major comparative organizational strengths that UN-Women offers the UN system in its support of Member States priorities are: the ability to link global and national policy development for GEWE; access to the largest and deepest pool of GEWE expertise in the world; longstanding, strong relationships with women's organizations and civil society in ways that leave no one behind; and mandated integrated contributions across the three pillars of the UN—peace and security, human rights, and sustainable development.

Regional architecture review

37. In 2016, UN-Women undertook an independent Regional Architecture Evaluation to assess implementation since 2012 to inform future plans for strengthening the institutional set-up. The evaluation examined the relevance, organizational effectiveness, and administrative efficiency of UN-Women's regional architecture, including its organizational capacity to deliver it normative, operational and coordination mandate at global, regional and country levels.

38. The evaluation found that UN-Women's strengthened field presence significantly increased results, but required stronger programmatic design and focus. UN-Women is addressing recommendations through several organizational development initiatives including change management and policy as well as technical guidance focused on specific marginalized groups. UN-Women is developing a detailed country office typology to respond to Member States' requests for support and will pilot the concept of country office co-location in contexts where a full-fledged country office might not be warranted. The country office typology scenarios and pilots will enable UN-Women to adjust its regional architecture to the new UNCT configuration in an optimal manner.

39. These efforts can be implemented to the best effect with support from Member States, including through standard multi-year partnership agreements, the provision of increased RR and high-quality, flexible OR funds.

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[16] United Nations Development Group. 2017. *UNDAF Companion Guidance: Funding to Financing*, pg. 8. See: https://undg.org/document/funding-to-financing-undaf-companion-guidance/

[17] Dr. Awino Okech. *Fight Corruption: Finance Gender Equality*. Femnet Policy Brief. 2018. See: http://femnet.org/2018/06/21/policy-brief-fight-corruption-finance-gender-equality/

Coordination mandate

40. Building on its normative support and UN system coordination roles, UN-Women programmes foster UN-wide partnerships to respond to Member States' requests for support in translating global norms and standards into transformative change for women and girls by coordinating collective efforts. UN-Women's track record in joint programming makes it well-positioned to enhance system-wide coordination, cooperation, and joint programming that leverage the relative strengths of the UN and external organizations.

41. UN-Women's coordination role and demonstrated success in joint programming constitute a unique comparative advantage that is applied to the world's most pressing challenges. Gender equality already features prominently in UN joint programming – with the largest share (109 of 371) of joint programmes implemented by UN Country Teams in 2016[18].

42. UN-Women champions improved UN system accountability on GEWE through the development and implementation of the UN-SWAP and UNCT Gender Scorecard within the UN system. In 2018 UN-Women launched the Gender SWAP 2.0, building on lessons from the first SWAP aimed at strengthening collective GEWE performance.

43. UN-Women brings gender perspectives to the development of UNDAFs and other guiding documents, such as humanitarian assessments and response plans. Leveraging the UNDAFs, UN-Women uses its limited resources to strategically apply seed funding to mobilize collective resources of the UNCT for increased in-country results on GEWE.

44. Given demand for gender-responsive approaches to humanitarian response and peacebuilding, UN-Women promotes greater cooperation and complementarity between development, disaster risk reduction, humanitarian action and sustaining peace, and enhances coordination between development work and humanitarian assistance and peacebuilding efforts, as called for in the QCPR.

UN-Women and civil society

45. UN-Women's robust engagement and partnerships with civil society and women's organizations reinforce its normative and coordination work through governments and the UN system. UN-Women's relationship with global women's movements and other marginalized constituencies (youth, indigenous movements, unions, LGBTQ, rural and grassroots, migrants, and refugees) offers opportunities to use voices, capacities, and contributions to foster and strengthen Member State GEWE efforts and help the UN system bring women in rather than leave them behind. UN-Women's civil society advisory groups serve as forums for dialogue and sustained UN and civil society engagement.

46. RR funds support much of UN-Women's engagement with civil society and constraints in RR funding levels inhibit the extent to which UN-Women can engage with and serve as a resource for the UN, Member State and civil society in the quest to leave no one behind.

[18] See Figure 5: http://undg.org/wp-content/uploads/2017/10/UNDG_ResultsReport2016_web_final.pdf

47. In building on its relative flexibility and the lessons learned and assessment of UN-Women's comparative advantages, the Entity continues to make strategic choices and adjustments to enhance delivery through its triple mandate. UN-Women, now seven-years strong, is mature enough to effectively and efficiently lead, promote and coordinate the UN system on GEWE in a changing world but is yet to be financed adequately for that purpose.

IV. From Funding to Financing

48. Section III outlined UN-Women's institutional and programmatic evolution and comparative advantages that require financing. This section lays the foundation for shifting UN-Women into the third phase of its sustainable financing model.

Follow-up on the 2017 SDF

49. The 2017 SDF decision adopted by the Executive Board (UNW/2017/7), requested that UN-Women "continue to improve its efficiency, effectiveness, transparency and accountability and...continue to provide information on its programme activities...to the Executive Board."

50. The 2017 SDF report noted that UN-Women's OR funding gap was $111.84 million, rather than the anticipated $285 million as per projections of the 2016 SDF report. This was possible thanks to a proactive reprioritization effort by regional and country offices, coupled with catalytic use of limited programmable RR to increase fund mobilization.

51. UN-Women deepened its reprioritization and fund mobilization efforts in the second half of 2017 and first half of 2018. As a result, the provisional OR funding gap decreased to $58.1 million by 31 May 2018 and, for the first time since 2014, UN-Women could meet its OR target by the end of 2018. Unfortunately, the RR programmable funding gap has not narrowed much. The marked increase in OR against the stagnation of programmable RR means that the leveraging ratio of programmable RR to OR could exceed 1:4 in 2018 (see Annex I) [19]. A programmable RR to OR leveraging ratio higher than 1:4 is not advisable for UN-Women, as a relatively new multilateral institution with a strong normative focus. Unsustainably high leveraging ratios limit UN-Women's capacity to engage in mandated global and regional normative work, which drives programming demand and its ability to invest in project formulation, co-financing, adaptive measures and knowledge management. Increased RR mobilization is thus a precondition for sustained OR mobilization that funds the delivery of development impacts.

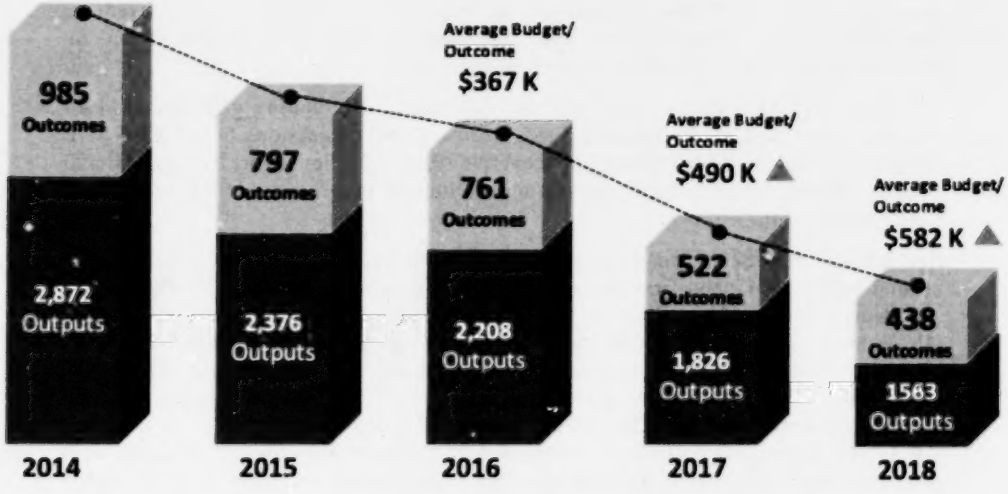
52. Thanks to continued efforts to strengthen programmatic focus, UN-Women has sustained the healthy downward trend in overall range of programmatic outcomes and outputs. In 2018, the total number of programme level outcomes was 438 (down from 522 in 2017 and 761 in 2016), while programme level outputs fell to 1,563 (from 1,826 in 2017 and 2,208 in 2016). Similarly, the average budget per outcome has increased to a more transformation level of $582,000 in 2018 (up from $490,000 in 2017 and $367,000 in 2016). This increased programmatic focus enhances the

[19] A leveraging ratio of 1 to 4 was used to calculate the programmable RR requirements based on OR requirements as identified in UN-Women's annual work plans.

efficiency and effectiveness of UN-Women, reduces the risk of overlaps and facilitates partnership with other development agencies (see Figure III).

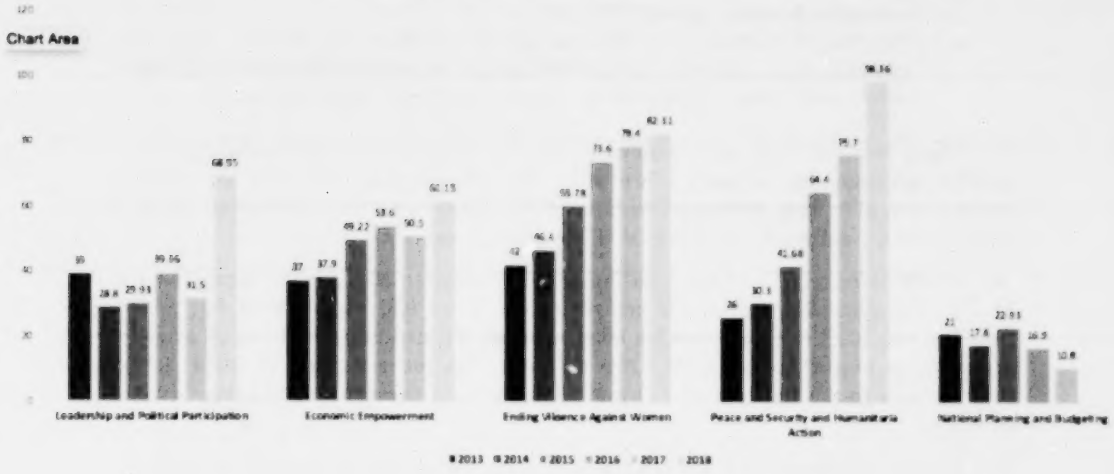
Figure III.
Programme level outcomes and outputs

	2014	2015	2016	2017	2018
# of programme level outcomes	985	797	761	522	438
# of programme level outputs	2,872	2,376	2,208	1,826	1,563



53. RR funded programme development support to UN-Women's regional and country offices, as well as the consolidation of UN-Women's programming has allowed the development of a robust OR funding pipeline. This has translated into a 60% growth of UN-Women's programming portfolio along all strategic objectives (see Figure IV). Note that UN-Women's gender-responsive budgeting and planning was integrated into the leadership and governance strategic objective in 2018 and thus the even sharper increase.

Figure IV.
UN-Women portfolio growth by outcome area[20]



54. UN-Women benefits from high-quality, soft-earmarked OR, through its FPIs. To date UN-Women has coordinated four multi-stakeholder FPI donor roundtables (Women's Access to Justice in July 2017, Climate Resilient Agriculture in October 2016, Women's Engagement in Peace and Security in October 2016, and Making Every Woman and Girl Count in May 2016), generating roughly $120 million in firm multi-year programming pledges. UN-Women plans to hold two additional roundtables in 2018. Adjusted projections indicate FPIs representing well above 70% of the organization's programming portfolio by 2020. Programme focus and growth has been supported by RR investments, though limited.

UN-Women's revenue trends

55. The type of funding that UN-Women receives affects its efficiency and effectiveness. Both the **quantity and quality** of the funding sources – assessed contributions; RR (core); and OR (non-core) – determine the Entity's organizational development, operational and programmatic agenda and its ability to deliver efficiently and effectively on its triple mandate.

56. During the Strategic Plan 2014-2017, important factors affected the organization's ability to meet its funding targets. Positive trends included:

i. Demonstrated political will of Member States to promote a gender equality agenda, grounded in the realization that gender equality and the empowerment of women and girls will make a crucial contribution to progress across all of the SDG targets;

[20] In this figure, 2018 data are based on 2018 Annual Work Plans, while previous years are based on actual expenditure. In the current SP 2018-2021, the "National Planning and Budgeting" thematic area was merged into the "Leadership and Political Participation" thematic area.

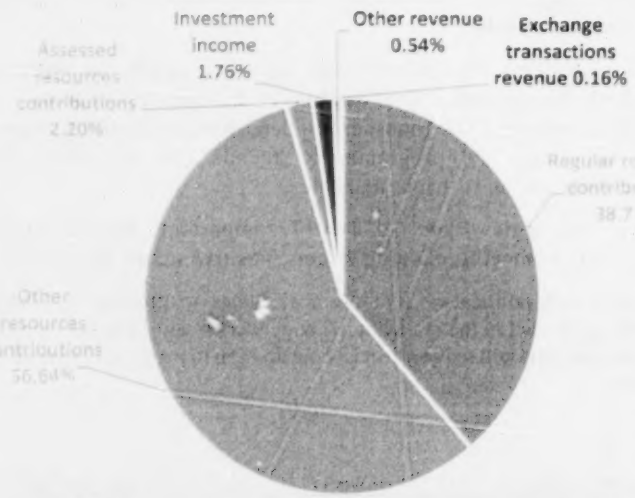
ii. Increased recognition of UN-Women's proven ability to leverage the breadth of the UN system for desired outcomes;
iii. Progress in delivering measurable programmatic outcomes aligned with global normative priorities through FPIs; and
iv. Heightened awareness and increased global movements for women's rights to equality, safety and justice and greater engagement with and from non-traditional actors, such as men, local leaders, religious leaders and the private sector.

57. These positive trends were somewhat offset by the constraints in Member States' official development assistance priorities and obligations, including escalated pressure resulting from the migration crisis and currency volatility, particularly with respect to RR funding, which affected UN-Women's revenue.

58. UN-Women received $146.4 million in RR revenue in 2017, which represented 38.7% of the total $369 million in contributions. While RR revenue grew by 3.3% from 2016 to 2017, it did not reach a level adequate for institution-building of a new organization or the IB target of $200 million. With the exception of 2014, RR contributions to the Entity have not met IB projections presented to the Executive Board.

59. In 2017, voluntary (RR and OR) contributions from Member States represented over 80% of UN-Women's total revenue, demonstrating their vital role in determining UN-Women's revenue environment. The largest share, or 56.6% of UN-Women of Member State revenue was received as OR (see Figure V). Assessed contributions accounted for 2.2% of total revenue. This drove the Entity towards a more short-term organizational development, operational and programmatic agenda, impacting its ability to deliver efficiently and effectively on its triple mandate.

Figure V.
Total revenue by source, 2017



60. The following paragraphs detail revenue trends by source of funds.

Assessed contributions

61. Assessed contributions are allocated to UN-Women from the UN's regular budget as approved by the General Assembly, and are generated through appropriations from Member States. In 2016, UN-Women received the smallest proportional share of UN assessed resources, representing 0.05% of the over $14.5 billion in UN assessed contributions distributed across receiving agencies. Other agencies with composite mandates enjoy much greater support. For example, UNEP's share of expenses covered by assessed contributions was 40% in 2016.

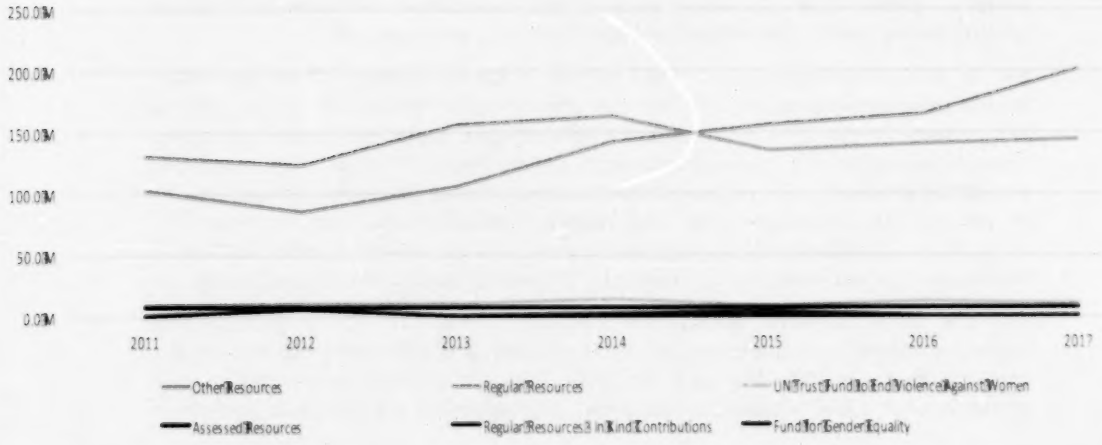
62. In 2017, UN-Women received $8.3 million (or 2.2% of its overall resources) from assessed contributions to support normative intergovernmental processes, civil society and UN system coordination work. Between 2011 and 2017 the amount of assessed contributions received grew minimally, from the starting point of $7 million in 2011.

63. The General Assembly, in its resolution A/RES/70/133, noted with concern that UN-Women had to draw on voluntary contributions to enable it to carry out its full mandate. On this basis, in 2018 UN-Women advocated for and received a small increase in assessed contributions in the form of five positions in 2018.

The value of regular resources

64. While UN-Women experienced a small growth in RR from 2016 and 2017, RR remain inadequate. The total funding from RR contributions was surpassed by the growth of OR in 2015 (see Figure VI).

Figure VI:
UN-Women contribution by donor type 2011-2017



65. RR form the bedrock of UN-Women's institutional existence and development impact[21]. RR are voluntary funds that are un-earmarked and can be spent flexibly to support UN-Women's institutional budget, oversight and accountability functions as well as programming strategy and formulation which leverages OR funding for development results.

66. Member States are almost the Entity's sole source of RR; 107 of them provided 97% or $143 million of the total of $146.4 million in RR received in 2017. The remaining 3% of RR revenue was generated from private sector contributions. Of the $143 million in RR from Member States, 90% or $132.4 million was provided by countries from the Organization for Economic Co-operation and Development–Development Assistance Committee (OECD-DAC). Contributions from other Member State donors represented only 10% of total RR in 2017.

67. The Government of Sweden is UN-Women's largest financial supporter and an important strategic partner. While European countries have historically been among UN-Women's top RR contributors, there are diverse levels of engagement. In addition to Sweden, the United Kingdom, Switzerland and Finland are among the strongest RR supporters, while France, Germany, and the Netherlands underwrite a lesser share of UN-Women RR than they do of other agencies and France has, to date, been contributing less RR to UN-Women than China. Non-OECD-DAC contributions grew from $8.4 million in 2013 to $14.2 million in 2017.

68. RR enable demand-driven institutional and programming growth and accountability. RR also serve as seed money to mobilize OR, which is also directed at comprehensive programme implementation that helps Member States translate global standards into policies and results that transform lives and accelerate development outcomes. RR support investments in innovation, and offer UN-Women the flexibility to strategically manage activities and intervene and respond to crises with greater speed and in collective UN action. RR fuel UN-Women's role as a powerful global GEWE advocate, catalyst and coordinator and allow for reduced administrative costs by providing a reliable financing environment.

69. In 2017, UN-Women spent $142 million in RR as follows: 37% to advocacy, leadership and management, with the vast majority of expenses incurred at regional and country levels; 29% to corporate administration, including human resources, finance, budgeting, risk management, legal, procurement, ICTs, security, oversight, evaluation and audit; 17% on project formulation, piloting and technical support; 7% to partnerships, communication and resource mobilization; 4% went to UN, intergovernmental and civil society coordination; 4% was spent on policy leadership and knowledge and result management; and 2% was directed to the "others" category.

70. The 2017 Executive Board SDF decision (UNW/2017/7) recognized "that sufficient regular resources are important to fully and effectively deliver on the implementation of UN-Women's Strategic Plan 2018-2021; notes that regular resources enable UN-Women to plan ahead, be responsive and strategic; strengthen

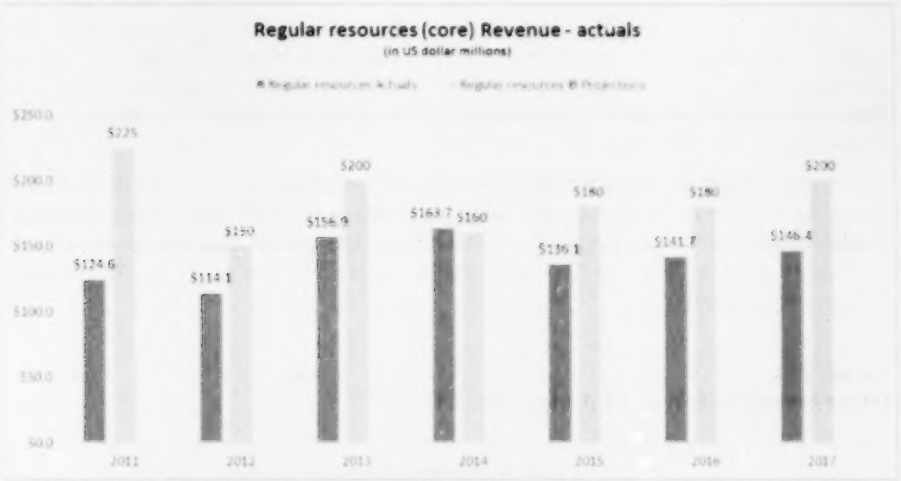
[21] A portion of RR are used to finance the institutional budget (the 2018-2019 estimate is for $203.8 million). Remaining RR are distributed as programmable core with 80% allocated to the field as resources for programming and 20% allocated to HQ. This allocation is made in accordance with the decision of the UNIFEM Consultative Committee at its 44th session in March 2004. The portion allocated to RR programmable depends on the total IB and available RR.

oversight functions (evaluation, audit, and investigation) and accountability; contribute to strengthening UN system coherence and coordination; and leverage other resources to advance gender equality and women's empowerment."

71. This decision supports UN-Women's position that RR are critical for ensuring adequate capacity to deliver on its triple and multilateral mandate and provide continued substantive leadership and innovation around specific GEWE objectives.

72. In line with current UN reform efforts, RR also enable UN-Women's engagement in gender-mainstreaming and coordination in inter-agency efforts. RR enable UN-Women to promote accountability, including regular monitoring of the UN system-wide progress on GEWE. This need is expected to increase in the context of UN reforms. Adequate financing of RR in line with targets is essential (see Figure VII).

Figure VII
Regular resources versus IB projections, 2011-2017



Other resources

73. Voluntary OR contributions from traditional and non-traditional partners began to outpace the level of RR contributions to UN-Women in 2015. This presents a risk as RR drive OR funding.

74. OR contributions totalled $214.2 million in 2017 and have grown by an average of 18% per year between 2011 and 2017, and by 20% or $36.1 million between 2016 and 2017. Some 131 funding partners contributed to UN-Women's OR revenue in 2017. This growth is as a direct result of RR investment in programming design, piloting, business development and monitoring systems.

75. OR growth has allowed UN-Women to translate institutional investments into significantly increased impacts for women and girls on the ground in support of Member State National Development Plans as fuelled by:

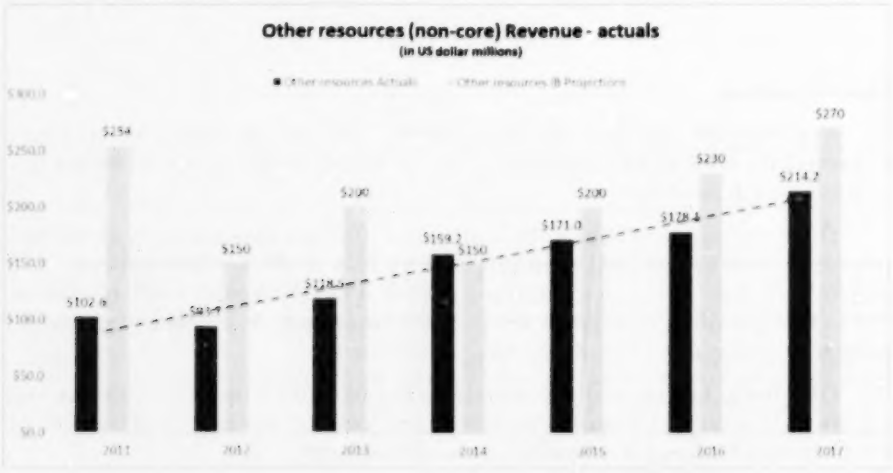
- UN-Women's RR driven programmatic leadership capacity on the design and oversight of large-scale programmes that are implemented with other agencies.
- RR investments in UN-Women's own programme and monitoring systems that improve the quality of proposals, accelerate the pace of programme inception, deliver high-quality and on-time reporting, prevent fraud, improve value for money, and support unqualified audit opinions on UN-Women financial statements.

76. Together, three donor segments (Member States, the European Union [EU] and UN agencies) accounted for 90% of UN-Women's total OR revenue in 2017. UN-Women's OR growth trend has primarily been driven by Member States and the EU, which contributed 71%, or $154 of $214.2 million of total OR revenue in 2017. Partnerships with 24 UN agencies, through joint programming and pooled funds, accounted for another 19.5% or $41.8 million of total OR revenue in 2017. Joint programming partnerships are expected to increase in significance under UN system reform, which will offer more opportunities for UN-Women to integrate its specialized expertise.

77. In 2017, growth in OR contributions occurred across all donor segments, with Member State contributions growing by 10.8% from 2016 levels, UN Agency funding growing by 40.7% from 2016 levels, and private sector contributions growing by 92% from 2016 levels. These trends show that UN-Women's investments in Stage 2 of its financial sustainability model are paying off.

78. Even though the overall OR growth trend is positive, OR contributions to the Entity have not met IB projections since the Entity was established either, with the exception of in 2014 (see Figure VIII). Moreover, OR growth depends on the ability to convert money into development results, which in turn relies on RR-funded institutional capacity.

Figure VIII.
Other resources versus IB projections, 2011-2017



Private sector RR and OR

79. Private sector funding has increased sharply. In 2017, 70 private sector and "other" category donors contributed a total of $21.6 million in combined RR and OR revenue to UN-Women, an increase of 57% from the $13.7 million received in 2016 and 191% from the $7.4 million received in 2015. UN-Women receives contributions from several private sector donor segments including corporations and corporate foundations; large foundations; National Committees for UN-Women; philanthropic giving, such as from high-net-worth individuals and influencers (HNWIIs); and giving from the general public, among other sources[22].

80. Given this growth trend, UN-Women intends to strategically deepen engagement with private sector donor segments, particularly through the FPIs, and invest more in public giving, primarily through its National Committees, to reduce its almost exclusive reliance on Member States for RR funding. UN-Women's Resource Mobilization and Partnership Strategy 2018-2021 provides a detailed strategic approach for the organization in this regard.

81. While the private sector has not been a significant source of RR revenue to the Entity overall, there has been an increase over time. In each fiscal year from 2011 to 2014, RR contributions from the private sector were less than $1 million, with contribution totals growing to $1.4 million in 2015, and reaching $3.4 million in 2016 with a slight decline to $3.2 million[23] in 2017 (representing 3% of total RR in that year).

82. Private sector contributors to UN-Women's OR represents the larger source of growth in this segment. Some 39 donors (12 National Committees and 27 other private sector partners) contributed $14.4 million to UN-Women's OR revenue in 2017; an increase from the $7.5 million generated in 2016 and the $4 million generated in 2015. The largest share of the $14.4 million raised in 2017 was received from foundations, which provided $6.8 million, followed by corporations, which provided $3.9 million and National Committees, which provided $3.7 million.

83. UN-Women is increasingly engaging with large foundations, with multi-year contributions ranging from $400,000 to $10 million, including through its FPIs. Given that 20% of UN-Women private sector OR revenue was provided by corporations, the organization intends to harness efforts to date that have resulted in over 1,800 CEOs from around the world signing on to the Women's Empowerment Principles, among other coalition-based strategic engagements, like the Unstereotype Alliance and the Global Innovation for Change Coalition.

84. In 2017 National Committees provided combined RR and OR revenue totalling $6.3 million, a significant increase from the $1.8 million they raised just two years earlier in 2015 and demonstrating further growth from the $4.6 million they raised in 2016. Given their increasing potential, UN-Women completed an assessment of the fundraising landscape in which its National Committees operate. The National Committees' potential to grow individual and corporate giving over the period of the Strategic Plan 2018-2021 was assessed and found highly promising. UN-Women will

[22] Other donors include local governments, sports clubs, various institutes and organizations, among other miscellaneous donors. In 2017 this segment of donors provided a total of $4.6 million to UN-Women.

[23] In 2017, UN-Women received an additional $284,600 in RR revenue from miscellaneous donors.

work to strengthen individual giving through its National Committees, and increase philanthropic giving (HNWIIs).

Figure IX.
Corporate and foundation overall contributions to UN-Women, 2011-2017

Funding gaps and their impacts

85. In 2017 UN-Women's total RR and OR funding gap was $109 million against its IB projections, with the gap totalling $199 million over the 2016-2017 biennium, despite increased demand for UN-Women support. Funding gaps impact UN-Women's growth, effectiveness and efficiency and GEWE efforts of the UN system and Member States, as well as other actors, which rely on UN-Women's expertise and support (see Figure X).

Figure X.
RR and OR funding gaps based on IB projections 2011-2017

86. In decision 2017/6 UN-Women's Executive Board took note of the IB estimates for the 2018-2019 biennium of projected voluntary contributions of $880 million for

2018-2019 comprised of $400 million in RR and $480 million in OR, which keep income projections at similar levels to the 2016-2017 biennium.

87. As per the 2018-2019 IB, 83.8% of resources would be devoted to development activities (including development effectiveness), 12.8% to management and 2.9% to United Nations development coordination, and 0.3% for special purpose activities.

88. The 2018-2019 IB estimate of $400 million in RR is based on the biennium RR budget of $203 million in RR funding to support UN-Women's pursuit of development effectiveness, UN coordination and management activities, in line with strategic plan organizational effectiveness and efficiency outputs.

89. OR funding requirements, as reflected in the organization's 2018 programming work plans are also based on the 2018-2019 IB OR estimate of $480 million (see Annex II). It is envisioned that 2018 will be the year that the programming funding gap will be closed. This is however dependent on closing the programmable RR funding gap of $22 million, which in turn will only be possible if the annual RR target of $200 million in revenue is attained.

90. The gap between the projections of the cost of implementing the strategic plan and the actual financial resources received represents missed opportunities to improve the lives of billions of women and girls around the world.

91. UN-Women is a lean, flexible and people-centred UN agency that supports the UN system to promote GEWE coherence and coordination and reach those most left behind. In 2017, UN-Women contributed to the amendment or reform of 27 laws in 17 countries to strengthen women's rights, potentially benefiting 164 million women and girls; assisted women and girls in 31 crisis-affected countries; and provided 35,000 women and girls with economic empowerment and livelihood services in humanitarian situations. Since 2014, some 2 billion women and girls live in countries where policy frameworks for women's economic empowerment were strengthened, over 1.5 billion women and girls are better protected from violence through stronger legal frameworks, and more than 1.48 billion women and girls are benefitting from an increase in GEWE budget allocations as a result of UN-Women's support of Member States.

92. While UN-Women continues to transform lives with the resources it has been entrusted with, its organizational sustainability is threatened by significant and persistent RR funding gaps. If UN-Women is to be "fit for purpose" and financially sustainable, it requires adequate RR financial investments.

93. An annual increase of $60 million in RR contributions from Member States would unlock UN-Women's third stage of financial sustainability. The increase represents roughly 0.28% of all Member State contributions to Chief Executives Board agencies. It is therefore a relatively achievable target. UN-Women is proposing a 2020 GEWE Compact that runs alongside the Secretary-General's funding compact for the development system, much like the gender parity strategy does, to drive efforts towards an additional $60 million RR per year in funding for UN-Women to achieve the 2018-2019 IB RR annual target of $200 million, which would in turn drive projected OR revenue growth. This Member State mobilization effort could be led by UN-Women RR donor champions that can attest to the value of RR investments.

94. This small increase would allow UN-Women to make the important institutional investments that would underpin financial sustainability and delivery of GEWE impacts projected in the Strategic Plan 2018-2021:

- Greater investments in coordination of GEWE to multiply the catalytic effect of UN-Women as the UN reforms
- More investments in preparation for global GEWE 2020 reviews and various commemorations. Investment is required to assist the world in looking back and planning forward to the 2030 Agenda. The year 2020 marks the review of progress 25 years after the Beijing Platform for Action was agreed and 20 years after the adoption of resolution 1325 on women, peace and security. It is the year that closes Africa's decade of women, the year that UN-Women turns a decade old and the UN celebrates three-quarters of a century of existence.
- More investments in systems to improve accountability, transparency of data and direct marketing outreach to the public as a significant future source of RR funding
- Greater investments in innovation and knowledge management to better position UN-Women to address 21st century challenges and UN GEWE coordination needs

95. UN-Women is a valuable asset in the UN system's effort to support Member States to accelerate progress towards a more inclusive, peaceful, prosperous and sustainable world in which women and girls, in addition to men and boys, enjoy their full human rights as actors and benefactors of the 2030 Agenda.

96. A 2020 GEWE Compact that complements the Secretary-General's reform and gender parity efforts, directed at investing in UN-Women, would enable the Entity to achieve annual RR funding of approximately $200 million. Given UN reform and an increasingly challenging global context, particularly the backlash against gains won for women and girls, the time is now to commit to a financing model that ensures that UN-Women is able to deliver even more effectively and efficiently on its triple mandate in ways that improve the lives of the billions of women and girls around the world.

Impacts of Donor Specific Agreements on Financing

97. The 2017 Executive Board SDF decision (UNW/2017/7) requested that UN-Women "provide information on the impact of donor-specific agreements on transaction costs and efficiency of UN-Women, as part of the next report of UN-Women on structured dialogue on financing."

98. In 2017, approximately 35% of all donor agreements were non-standard. UN-Women has put in place a number of measures to make the processing of non-standard agreements as efficient and effective as possible, including: (i) an on-line clearance system to automate and streamline the process; and (ii) a general prohibition on the negotiation of non-standard agreements below the value of $150,000, unless exceptional criteria are met.

99. Nevertheless, there are significant costs associated with non-standard agreements, as relevant experts from legal and finance teams must be consulted during the clearance process, and consultations may extend to audit, evaluation, budget, communications and other areas as needed. It also involves a substantive administrative overhead in facilitating the consultation and negotiation process. Non-standard agreements require approximately one to six months of negotiation.

100. The time taken to negotiate non-standard agreements delays programme implementation and leads to the overuse of support services (in whole or in part) for this purpose, which comes at a cost. Non-standard agreements require UN-Women to implement exceptional measures or comply with extraordinary obligations, outside its standard policies and practices, which also involve additional overhead and administrative costs.

101. UN-Women is pleased that it has been able to negotiate 10 "framework agreements[24]", establishing set terms and conditions for certain donors, however, each framework agreement is different, which imposes a significant burden on the Entity in complying with different legal and financial regimes. It is also noted that, notwithstanding these framework agreements, these same donors still seek to negotiate different conditions at the country or local level.

V. Conclusion

102. The benefits of more predictable and flexible multi-year funding of strategic plans are high for the UN and Member States. Flexible, predictable and adequate funding will enable UN-Women to better support Member State efforts to transform women's and girls' lives and meet the SDG targets, including by coordinating the UN system on GEWE in ways that translate global norms into benefits that deliver on national agendas.

103. Predictable RR will allow UN-Women to continue generating and sustaining relationships with the widening range of stakeholders that support Member States. UN-Women already leverages RR to convene stakeholders to address human rights and development challenges all over the world.

104. RR ensure that UN-Women can design, pilot, replicate and scale-up successful programmes and develop knowledge products for use by various stakeholders, even in countries where UN-Women is not present. As demand for gender-responsive approaches in humanitarian action grows, RR have been invested in efforts to mainstream GEWE in humanitarian action and crisis response, which is key to the survival of families and the eradication of sexual exploitation, abuse and harassment in that sector.

105. Additionally, RR support UN-Women's critical normative and coordination work through leadership and advocacy within the UN system; promoting accountability of the UN to its GEWE commitments; and by engaging in system-wide and inter-agency forums and efforts to promote and advance GEWE at all levels and in all countries.

106. As we approach 2020, Beijing +25, Resolution 1325 +20, and UN-Women's tenth anniversary, this is the moment for Member States to ensure that the Entity is adequately resourced to meet growing demands and to ensure that it is well placed to adapt to changes required by UN reform.

[24] Framework Agreements have been negotiated with the African Development Bank, the Department for International Development, the Caribbean Development Bank, the Ford Foundation, the Swedish International Development Agency, and the European Union, as well as the governments of Australia, Iceland, Norway, and Switzerland.

Annex I

Detailed overview of UN-Women's programming RR and OR funding requirements and funding gap[25]

	2014	2015	2016	2017	2018 (1 Jan)	2018 (31 May)	2018 (31 Dec)
(a) Total programming funding requirement (OR + RR programmable)	315	353.25	440.75	417.91	437.09	437.09	437.09
Field OR requirement	202	231	299	273	283.4	283.4	283.4
HQ OR requirement	50	50	60	61.33	66.27	66.27	66.27
Field core requirement - indicative target of 25% non-core	50.5	57.75	74.75	68.25	70.85	70.85	70.85
HQ core requirement - indicative target of 25% non-core	12.5	12.5	15	15.33	16.57	16.57	16.57
(b) Total funding available (OR + RR programmable available)	201.8	239.2	260.22	288.68	289.01	356.73	435.48
Field OR available (Revenue + Carry Over)	104	145	163.02	159.6	154.47	213.7	260.62
HQ OR available (Revenue + Carry Over)	41	40	52	62.89	69.38	77.87	109.7
Field RR allocation (only allocations)	42.3	43.4	43.6	46.26	49.66	49.66	49.66
HQ RR allocation (only allocation)	12.5	10.8	10.6	11.93	15.5	15.5	15.5
(c) Total funding gap (OR + RR programmable) = (a) - (b)	113.2	113.1	179.53	137.23	148.08	80.36	1.61
Field OR funding gap	98	86	135.98	113.4	128.93	69.7	22.78
HQ OR funding gap	7	10	8	-1.56	-3.11	-11.6	-43.43
Field RR funding gap	8.2	14.35	31.45	21.99	21.19	21.19	21.19
HQ RR funding gap	0	1.7	4.4	3.4	1.07	1.07	1.07
(d) Total OR funding gap	105	96	143.99	121.84	125.82	58.1	20.65
(e) Total RR programmable funding gap*	8.2	16.1	35.85	25.39	22.26	22.26	22.26

[25] The annual "funding gap" is the amount of funds needed that are not covered by the available budget in the form of pledges or signed grants at the start of the year. Funding requirements are identified from UN-Women's Results Management System.

Annex II

Annual work plan funding gap as of June 2018